

Foothill Transit Executive Board

MINUTES

The regular meeting of the Foothill Transit Executive Board was held Friday, April 25, 2008, at the Foothill Transit Board Room, 2nd Floor, 100 South Vincent Avenue, West Covina.

President Lantz called the meeting to order at 8:04 a.m. The following members were present, constituting a quorum of the Executive Board:

Paula Lantz, President
Peggy Delach, Vice President
Michael De La Torre
Dan Kirby
Lola Storing

Staff and Guests present:

Doran Barnes, Executive Director
Kevin McDonald, Deputy Executive Director
Ed Gill, Legal Counsel
Darold Pieper, General Counsel
Lee Millen, Deputy Secretary
Dietter Aragon, Planning Manager
Araceli Lopez, Transit Store Operations Manager
Gary Nehls, Director of Procurement
David Reyno, Director of Government Relations
Peter Greenberg, General Manager
Wayne Fritz, General Manager

PLEDGE OF ALLEGIANCE

Member Kirby led those present in the Pledge of Allegiance.

APPROVAL OF MINUTES FOR THE REGULAR MEETING OF FEBRUARY 22, 2008, SPECIAL EXECUTIVE BOARD MEETING OF MARCH 5, 2008, AND REGULAR MEETING OF MARCH 28, 2008

The Deputy Secretary attested to the veracity of the above minutes, in consideration of some Members not being present at specific meetings listed for approval.

The minutes listed above were approved as submitted.

Motion: Member Storing, seconded by Member Kirby
Vote: Unanimously carried

PRESENTATIONS:

Contractors' Employee Recognition

Wayne Fritz, General Manager, introduced and recognized the Arcadia location MV Transportation Operators & Employees of the Month: Ariel Rivera, Operator of the Month; and Ruby Vargas, Employee of the Month.

Peter Greenberg, General Manager, introduced and recognized the Pomona location First Transit Operators of the Month: Herman Johnson, Operator of the Month, and Diane Pree, Employee of the Quarter.

The Executive Board commended the awardees.

PUBLIC COMMENT

There was none.

CONSENT CALENDAR:

The Executive Board adopted the Consent Calendar items 7 through 12.

Motion: Vice President DeLach, seconded by Member De La Torre
Vote: Unanimously carried

REGULAR AGENDA:

INVITATION TO CITY OF PASADENA TO JOIN THE FOOTHILL TRANSIT JPA

David Reyno, Director of Government Relations, reported that at the Special Governing Board Meeting on March 5, 2008, a recommendation was brought to the Foothill Transit Governing Board to extend an invitation to the City of Pasadena to join the Foothill Transit Joint Powers Authority (JPA).

The Governing Board posed a number of questions regarding how the process would work (copy on file). The Governing Board understands that the Foothill Transit governance structure would need to be updated to reflect the addition of a new member and has asked that examples be provided of what a new structure might look like before taking further action. Three examples were developed and are based on Year 2000 census data (copy on file). Example 1 keeps the current five-cluster configuration and

attempts to maintain reasonable population and geographic consistency. Example 2 changes the structure to a seven-member Executive Board which is a major change to the Foothill Transit model and follows a strictly geographical configuration with no consideration for population. Example 3 is also a seven-cluster configuration that keeps the population of each as close as possible while staying within reasonable geographic proximity of each other.

Staff requests that the Executive Board provide direction regarding an invitation be extended to the City of Pasadena to join the Foothill Transit Joint Powers Authority (JPA) and the associated necessary changes to the Foothill Transit JPA agreement.

Doran Barnes, Executive Director, reported that Member Fasana is at a press conference today with Secretary Peters, Federal Secretary of Transportation, to sign an MOU regarding HOT lanes and funding for bus expansion and decongestion of HOV lanes. The 210 corridor has a terminus in the Pasadena area.

Following discussion on the perceived impact of this action by member cities, the Executive Board deferred action and referred this issue to the Governing Board to receive input from member cities, and directed staff to research the issue with member cities prior to the May 7th Governing Board meeting.

Motion: Member Kirby, seconded by Vice President DeLach
Vote: Unanimously carried

FTA PUBLIC PRIVATE PARTNERSHIP WORKSHOP

David Reyno reported that the public continues to face many challenges in securing the financial resources for transportation infrastructure and programmatic improvements. A potential tool to help address these issues is the use of public private partnerships for the financing, development and operation of transit services.

FTA, APTA, and The Embassy of France are collaborating on an international workshop on public private partnerships (PPP) in the public transportation industry July 6-8 in Lyon and Saint-Etienne, France. The workshop will focus on how to fast-track new projects with partnerships that include private sector financing as well as private sector responsibilities for turnkey design, construction and operation of the project.

The final details of the workshops are being developed. Foothill Transit has been approached about sending a speaker to the workshop to talk about the Foothill Transit experience. This would be an excellent opportunity to share the Foothill Transit model with the United States and European Transit community.

As part of this trip, it may be possible to arrange site visits to Rouen. Rouen is a community that shares many characteristics with the San Gabriel Valley and the transit system in Rouen is almost identical to Foothill Transit. The TEOR service in Rouen was

the inspiration for Foothill Transit's Silver Streak service. Another focus area for this trip could be to look at farebox technology.

It is possible that FTA will provide lodging for speakers. Funding is not available for other travel expenses for the speaker or for the travel expenses of attendees. The Foothill Transit fiscal year 2008 budget included funding for Board Members to attend the American Public Transportation Association's Board Members Seminar, Legislative Conference and Annual meeting. Fewer Board members attended these conferences than were anticipated and budgeted. Accordingly, funding is available to have one or more Board Members attend the FTA's PPP Conference.

Following discussion, the Executive Board authorized Foothill Transit Board Members to speak at and/or participate in the Federal Transit Administration's (FTA) Public Private partnership (PPP) Workshop, and directed staff to determine the availability of funds, and tally availability of Executive Board Members and Alternates.

Motion: Member Kirby, seconded by Member De La Torre
Vote: Unanimously carried

PERFORMANCE INDICATORS REPORT – MARCH 2008

Dietter Aragon, Planning Manager, reported that the performance indicators report provides an analysis of Foothill Transit's nine key indicators on a month-to-month basis. Data is collected from a variety of sources such as the fareboxes on buses; contractor reported data, and financial performance data.

The system performance includes the following data:

- Boardings – Overall boardings recorded by the farebox for March-08 was 1,288,786. The total is 1 percent below March-07 ridership.
- Fare Revenue – Total fare revenue for March-08 was \$1,439,343, resulting in an average fare of \$1.12 per boarding.
- Operating Expenses – Total operating expenses for March-08 were \$5,475,585, resulting in an average cost per service hour of \$85.86, which continues to be below the Fiscal Year 2008 target.
- Accidents – There were six preventable accidents in March-08 for an average of 0.50 accidents per 100,000 miles; representing three less accidents than in March-07.
- Customer Complaints – Foothill recorded 7.91 complaints per 100,000 boardings for March-08, which represents a ten percent decrease in complaints from March-07.
- Schedule Adherence – This month, 74 percent of all trips surveyed were on time.
- Farebox Recovery Ratio – In March-08, the agency's farebox recovery ratio was 26.29 percent. This is above the fiscal year performance target of 24.95 percent.

In response to Member Kirby regarding schedule adherence, Doran Barnes explained that schedule adherence was collected manually, however, the new contractor in Arcadia is reflecting better data collected in that it is SmartBus system collected data. President Lantz concurred that complaints on schedule adherence is a reflection of customer frustration on not meeting their individual schedule.

Following discussion, the Executive Board received and filed the March 2008 Performance Indicators Report.

Motion: Member Kirby, seconded by Vice President DeLach
Vote: Unanimously carried

TRANSIT STORE QUARTERLY REPORT – JANUARY – MARCH 2008

Araceli Lopez, Transit Store Operations Manager, reported that Pass sales for the third quarter were slightly higher than the same quarter in FY07, totaling \$1,478,642. Transit Store staff continue to maintain the average hold time at under one minute (38 seconds) with the overall average handling time of calls at one minute 51 seconds. Walk-in traffic was slightly lower than in FY07, totaling 51,651 in FY08. In a continued effort to address discrepancies in the phone statistics reporting, staff has made some progress toward resolution.

During the third quarter of FY08 staff received 57,631 calls. After a review of reports from AT&T, it was discovered that calls were being allocated to some stores when they were closed, leaving calls in the queue, with no one to handle the call, contributing to the high volume of abandoned calls recorded. AT&T has been given the correct store hours and will be implementing these changes effective immediately. Contrary to staff's defined standard of 30 seconds before an abandoned call was identified as such, the system had been set to record calls that were abandoned after 6 seconds as abandoned calls. Telenet, Foothill's phone system provider, has suggested alternatives for us to consider, which may reduce the number of calls that are being abandoned as well. Staff continues to make adjustments and anticipate that the phone system will soon provide the information necessary to produce accurate reports.

Doran Barnes noted that 1 ½ budgeted positions from the Duarte Transit Store closure will be allocated to the West Covina store, and the Puente Hills Transit Store receives a disproportionate number of calls in that they are open seven days a week and for a longer period of time per day.

Following discussion, the Executive Board received and filed the Transit Stores quarterly report for January – March 2008.

Motion: Vice President DeLach, seconded by Member De La Torre
Vote: Unanimously carried

PROPOSED FISCAL YEAR 2009 BUSINESS PLAN (JULY 1, 2008 – JUNE 30, 2009)

Kevin McDonald, Deputy Executive Director, reported that each year, Foothill Transit is required to submit a balanced budget and a Short Range Transit Plan (S RTP) to the Los Angeles County Metropolitan Transportation Authority in order to receive subsidy funds. Both documents have been incorporated into a single Business Plan for the organization. The Business Plan development process provides an opportunity to review Foothill Transit's current and planned financial status in relation to goals and objectives. In order to facilitate this process, a final draft business plan has been developed which incorporates overall goals and supporting actions steps. Also included in the document are Fiscal Year 2008 accomplishments, a budget summary and departmental budget summaries.

The Fiscal Year 2009 Business Plan (copy on file) was developed with the organization's mission as its central focus. The mission of Foothill Transit is to be the premier public transit provider committed to safety, courtesy, quality, responsiveness, efficiency and innovation. Supporting this mission, the primary goals of Foothill Transit are to:

- Operate a safe transit system;
- Provide outstanding customer service;
- Operate an effective transit system; and
- Operate an efficient transit system.

Goals and performance measures tied to each of the four goals listed above have been incorporated into the plan to ensure that Foothill Transit's resources are focused on achieving its mission. In order to fulfill its mission and meet its goals, Foothill Transit's proposed business plan includes detailed initiatives. Over the next year, the proposed business plan will allow Foothill Transit to:

- Implement a Bus Signal Priority system on Line 187;
- Implement the regional Transit Access Pass (TAP) system;
- Advocate for approval of the county's High Occupancy Toll (HOT) Lanes application;
- Continue development of a Park and Ride facility in West Covina;
- Align service levels to current and projected ridership; and
- Purchase Compressed Natural Gas buses to replace older diesel-fueled coaches.

On April 10, 2008, the Foothill Transit Administrative Advisory Committee met to review the proposed Business Plan for Foothill Transit for Fiscal Year 2009. The role of the Administrative Advisory Committee is to review the Business Plan, suggest improvements to staff, and advise the Executive Board prior to their consideration of the plan. This year, the Committee was comprised of Paul Philips, Covina City Manager; Carol Cowley, La Puente City Manager; Darrell George, Duarte City Manager; Wendy

Bui, Los Angeles County Public Works Transit Manager, and Linda Lowry, Chair, Administrative Advisory Committee and Pomona City Manager.

The Committee recommends that the Executive Board approve the final draft Business Plan for Fiscal Year 2009.

Foothill Transit's proposed FY 2009 budget is balanced between revenues and expenses with an estimated \$74.7 million in operating expenses and \$40.4 million in capital expenses, for a total budget of \$115.1 million. The Fiscal Year 2009 budget anticipates increased revenues as a result of the recently implemented fare increase, and targets a farebox recovery ratio of 26.33 percent.

Revenue projections are based on annual "funding marks" developed by the Los Angeles County Metropolitan Transportation Authority (Metro). This Business Plan includes estimated funding allocations from Metro for Fiscal Year 2009. The plan does not include State Transit Assistance (STA) funds. It is anticipated that any funds received will be allocated in FY 2010.

President Lantz noted that 2008 estimates are given, however, staff should provide current vs. 2008 estimates. The SCAG has dramatic layoffs to face due to hiring with grant monies that are no longer available. Conversely, Foothill Transit should have some projections for 2010 and 2011 to foresee any adjustments that need to be made. Kevin McDonald noted that Foothill Transit's 15-Year Plan will be presented at the Executive Board June meeting.

Doran Barnes advised that actuals are based on actual performance through February. However, staff can see if additional actuals can be in the Report that will be delivered to the Governing Board. Additionally, staff employment is not funded with grant or similar type funding, and Foothill Transit does not have employees per se.

Member Kirby commended the foresight of previous Executive Board members to incorporate CNG fuel. George Karbowski, Director of Maintenance & Operations, reported that CNG fuel prices are artificially low in Arcadia with the prior fixed cost agreement, but the Pomona facility fuel costs have increased. However, CNG fuel costs are not expected to spike as diesel fuel has. In response to President Lantz, Mr. Karbowski noted that of Foothill's 314 fleet of buses, 232 are CNG buses.

Following further discussion, the Executive Board recommended approval of Foothill Transit's proposed Business Plan and Performance Targets for Fiscal Year 2009 to the Governing Board, with corrections/additions referred to.

Motion: Vice President DeLach, seconded by Member De La Torre
Vote: Unanimously carried

EXERCISE OF OPTIONS ON AGREEMENT NO. 06-024 WITH FIRST TRANSIT INC.

Gary Nehls, Director of Procurement, reported that the two-year base contract with First Transit, Inc. expires on February 3, 2009 and there are three one-year options available on that agreement. According to the terms of Foothill Transit's Agreement No. 06-024 with First Transit, Inc., Foothill Transit may exercise one or more of the option years, or may exercise any option on a month-to-month basis. Should Foothill Transit determine that exercising any of the option years is not in the best interest of the organization, staff will prepare a Request for Proposals for operations and maintenance out of the Pomona facility.

First Transit has provided high quality service to Foothill Transit's customers for a number of years, with consistently outstanding results on third-party inspections of the agency's vehicles assigned to that contract location. Foothill Transit's interests would be well served by exercising the first one-year option on our Agreement No. 06-024 with First Transit, Inc. for operations and maintenance at the Pomona facility.

The annual budget value of the Pomona Operations and Maintenance contract is approximately \$20 million, and the agreement incorporates a CPI escalator capped at 4.0 percent for all three of the option years. Funds for maintenance and operations will be included in the FY09 budget.

The Executive Board authorized the Executive Director to exercise the first one-year option on Agreement No. 06-024 with First Transit, Inc. for transit services operated out of Foothill Transit's Pomona facility.

Motion: Member Kirby, seconded by Member Storing
Vote: Unanimously carried

EXECUTIVE DIRECTOR COMMENT

Doran Barnes reported the following:

- Michael Griffus, President and Chief Executive Officer, Veolia, and Kendra Von Ash, Vice President of Technology, are present at today's meeting.
- Introduction of new staff will occur at next meeting, however, Joe Raquel, Director of Information Systems, is in attendance today and is a recent new hire with 10 years of IT experience.
- Incredibly busy month, with President Lantz testifying before the Revenue and Taxation Committee in Sacramento (she will testify again), and Member Kirby and President Lantz participating in a San Gabriel Valley Legislative activities press conference on behalf of Foothill Transit.
- The Governing Board will meet on May 7 at 5:30 p.m., and the Executive Board will meet at 5:00 p.m. to approve agenda items including the Business Plan, Pasadena's request to join the Foothill Transit's JPA, and to hold Cluster

elections.

BOARD MEMBER COMMENT

Vice President DeLach reported that she and Kevin McDonald attended an Irwindale City Council meeting to receive the Business of the Month award on behalf of Foothill Transit.

Member Kirby noted his Sacramento lobbying trip with legislators that see Foothill Transit as an agency that they are anxious to be a part of. Staff was thanked for making the Executive Board's job easier, and President Lantz was thanked for her time spent in Sacramento on behalf of Foothill Transit.

President Lantz announced that the Governing Board and Executive Board are scheduled to meet on May 7, and the Executive Board's regular meeting is scheduled on May 23.

CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Initiation of litigation pursuant to Government Code Section 54956.9 (c): Two Cases

CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION Existing Litigation, Government Code Section 54956.9 (a):
Name of Case: Comet Electric, Inc. v. Steton Construction Group, Foothill Transit Authority, Great American Insurance Company, Superior Court, Los Angeles County, Case No. BC383392

The Executive Board did not meet in Closed Session.

ADJOURNMENT

There being no further business, the Executive Board adjourned at 9:30 a.m.